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To: Robert S. Miller – Executive Chairman, Delphi Corp.
Rodney O'Neal – Chief Exec. Officer and President, Delphi Corp.
Edward E. Whitacre Jr. – Chairman General, Motors Corp.
Fritz Henderson – Chief Executive Officer, General Motors Corp.

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From: Donald W. Bergwall

Subject: Consideration for General Motors/Delphi Salaried Retirees

Background on the writer:

As a graduating engineer in 1968, my career began with General Motors Saginaw Steering Gear Div. in Saginaw, MI. For over 30 years with General Motors and over 3 years with Delphi, I worked in various engineering, manufacturing, marketing, sales, and planning positions. Serving on four General Motors Creativity Teams, program manager for Cadillac, CLCD, Mid-Lux, and later as International Sales Manager for Saginaw Div. with direct sales, project proposal and customer responsibilities, provided a detailed understanding of GM and many other automotive manufacturers in North America, Europe, and Asia. Serving on the Delphi Commercial Vehicle Team, provided insights to the Truck industry. Management encouraged agreement to an early retirement offer from Delphi Saginaw Steering Systems with 34 years of service, which I accepted effective March 1, 2002.

I have grave concerns for the future of General Motors and Delphi. I am incurring increasing financial and emotional sacrifices over the changes that have recently taken place and the future forecasts. I object to the disproportionate sacrifices that are being imposed on the Delphi Salaried Retirees in all of the reorganization and bankruptcy proceedings, and to the way GM, Delphi, and the government is monitoring and managing the process.

I understand the following:

- Both of my parents and I worked for GM dealers in the Chicago, IL area; hence grew up with a love of cars and the automobile industry.
- There was pride and a sense of accomplishment in being an engineer in the General Motors family.
- Why I proudly purchased at least one new GM vehicle almost every year up to my retirement.
- Why I actively encouraged my family, neighbors, and friends to purchase GM vehicles.
- The willingness to work long hours, and week-ends as needed (often without extra pay) to get the job done to help the company and provide superior customer satisfaction.
- Why the spin-off of Delphi made sense "in theory" to attract more non-GM business and focus on the details of the component business, but never really worked well in reality.
- Why Delphi continued to provide disproportionate support to GM (beyond what they paid for) because of the long heritage relationships (business and personal) among the Delphi & GM management. While, at the same time those of us in the marketing and planning side, forecasted the growth of Toyota, Honda, & Hyundai, especially as they grew in the US but could not convince higher management to take a more aggressive role and become a more significant supplier to them.
- Why it was necessary to take extraordinary measures to cut costs when the drastic downturn occurred in the auto industry, but the choices for cuts did not make sense, if you knew the business.
- How it was easier to give the union what they asked for rather than developing an open and honest relationship with them for win/win long-term contract provisions.
- How it was easier to reorganize, divest, make acquisitions for growth, and manipulate rather than really manage to maintain long-term success for the organization.
- That it was my personal choice to hold onto some GM and Delphi Stock through this process and realize that it now has no value.